06-186

STAMP & RETURN

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of	FCC/MELLON	SEP 252006
Application for Authority to	§	
Transfer Control of	§	WB Docket No. 06-
ETS Telephone Company, Inc. from	ı §	W D DOCKEL 110. 00-
Jefferson Telecommunications	§	IB File No. ITC-T/C-2006
Partners, Ltd. to Boston Ventures	§	1B File No. 11C-1/C-2000
Limited Partnership VII	§	

APPLICATION FOR AUTHORITY TO TRANSFER CONTROL OF DOMESTIC AND INTERNATIONAL SECTION 214 AUTHORIZATIONS

Jefferson Telecommunications Partners, Ltd. ("Jefferson") and Boston Ventures Limited Partnership VII ("Boston Ventures") hereby request, pursuant to Section 214 of the Communications Act of 1934, as amended (the Act), 47 U.S.C. § 214, and Section 63 of the Commission's Rules, 47 C.F.R. § 63.01 *et seq*, authority to transfer control of ETS Telephone Company, Inc., ("ETS"), and its parent company, En-Touch Systems, Inc. ("En-Touch"), from Jefferson to Boston Ventures. Specifically, this Application is filed pursuant to Commission Rule 63.24(c) and the streamlined procedures of Commission Rule 63.03(b)(2)(i).

ETS is a competitive carrier that holds Section 214 authorizations to provide domestic and international switched telecommunications service² and provides local and long distance telecommunications services to business and residential customers in the Houston, Texas area. The proposed transaction will result in ETS continuing to be a non-dominant carrier, having less than 10 percent of the domestic interexchange market share. Under Section 63.10(a)(1), ETS is presumptively non-dominant on any international routes it may serve because it has no affiliation with any foreign carrier. Therefore, this application qualifies for the streamlined approval process provided for in Sections 63.03 and 63.12 of the Commission's rules.

¹ Jefferson, Boston Ventures and ETS are referred to jointly in this application as the "Parties" or the "Applicants."

See File No. ITC-214-19960311-00007 (previously ITC-96-108) for the international Section 214 authorization. Kingsgate Telephone Company was granted domestic 214 authority in 1996. Kingsgate Telephone Company, Inc. changed its name to ETS Telephone Company, Inc. on July 10, 1998.

By granting this application, the Commission will serve the public interest, convenience, and necessity by ensuring continuity of service to ETS' customers and promoting competition in the domestic and international interexchange services market. Competition will benefit U.S. consumers by increasing service options and lowering prices.

I. DESCRIPTION OF THE APPLICANTS

A. ETS TELEPHONE COMPANY, INC.

ETS, which is a wholly-owned subsidiary of En-Touch, is a competitive local exchange carrier ("CLEC") providing voice services to approximately 10,000 residential and business customers in the Houston, Texas area. In addition to local telephone service, ETS provides domestic and international long distance service to its customers on a resale basis and holds both domestic and international Section 214 authorizations from the FCC. ETS provides local and long distance services (including 1+, toll-free, and international services) under the names ETS Telephone Company, Inc. and En-Touch Systems.

B. JEFFERSON TELECOMMUNICATIONS PARTNERS, LTD.

Jefferson is currently the majority shareholder of En-Touch, the parent of ETS. Following consummation of the transaction contemplated by the acquisition agreement, Jefferson will sell a controlling interest in En-Touch to Boston Ventures Limited Partnership VII.

C. BOSTON VENTURES LIMITED PARTNERSHIP VII

Boston Ventures is a private equity firm that has been an active investor in the media, communications, and entertainment sectors of the economy since its founding in 1983. Over its 23-year history, Boston Ventures has invested six funds with a total of \$2.6 billion in capital commitments. Boston Ventures typically acts as the lead investor in its investments, which include leveraged buyouts, recapitalizations, growth equity, and industry roll-ups.

Boston Ventures has extensive expertise in the telecommunications industry, with current assets that include a CLEC, cable television systems, and a rural cellular provider. Its current communications portfolio includes Integra Telecom, Inc., a facilities-based integrated

communications provider; Harron Communications, LP, a cable television company operating in the Northeast; Rural Cellular Corporation, a rural cellular telephone provider throughout the United States; and Vista III Media Holdings, LLC, which is a cable television MSO in the southeast. None of these companies provides service in any area that overlaps the ETS service area. Boston Ventures is not a foreign carrier and it does not hold any interests in foreign carriers.

II. DESCRIPTION OF THE TRANSACTION

Under the terms of the proposed transaction, Boston Ventures will acquire control of En-Touch, the parent company of ETS, and thus will obtain the majority controlling interest in ETS. The parties have agreed to create two new entities, En-Touch Holdings, LLC ("Holdings"), a Delaware limited liability corporation, and its subsidiary, En-Touch Acquisition Corp. ("Merger Sub"), a Delaware corporation. The parties have agreed to the transfer of control of En-Touch to Boston Ventures by means of the merger of Merger Sub with and into En-Touch, with En-Touch continuing as the surviving corporation and as a wholly-owned subsidiary of Holdings.

Following consummation of the transactions contemplated by the acquisition agreement, the only ten percent or greater owner of En-Touch Holdings, LLC, the parent of En-Touch Systems, Inc., will be Boston Ventures, which will hold approximately 84 percent of the ownership interests. The remaining interests will be held certain of the current owners and management of En-Touch, but in no case will any one of such interests exceed seven percent of En-Touch Holdings, and none of the minority interest holders also will have interests in Boston Ventures. The ownership structure of Boston Ventures is shown on the chart attached hereto as Attachment B.

III. PUBLIC INTEREST STATEMENT

The transfer of control of En-Touch from the current shareholders to Boston Ventures will serve the public interest. As the telecommunications providers that Boston Ventures owns or controls do not provide service in the areas served by ETS, competition will not be adversely affected by Boston Venture's acquisition of a majority interest in En-Touch, the parent company of ETS. Instead, Boston Venture's telecommunications and investing experience, industry relationships, and other resources will enable it to assist ETS to continue to develop market strategies that benefit consumers, businesses, and competition in the Houston, Texas metropolitan area. These premises considered, the public interest, convenience, and necessity would be served by a grant of this application.

At the same time, the proposed transaction does not present any anti-competitive issues. Because the proposed transaction entails the sale of ownership interests from existing shareholders to a new majority shareholder, the transaction will be completely transparent to customers. ETS will continue to provide high-quality communications services to its customers without interruption and without change in rates, terms, or conditions.

Furthermore, the proposed transaction will have no negative impact on competition. ETS is a non-dominant carrier that will continue to compete with other carriers in the local and long distance markets for 1+, toll-free, and international services. No existing or potential competitors will be eliminated as a result of the proposed transaction.

By granting this application, the Commission will serve the public interest, convenience and necessity by ensuring continuity of service to ETS' customers and promoting competition in the domestic and international interexchange services market. The Applicants therefore respectfully request that the Commission approve the transfer of control of ETS' parent, En-En-Touch, from Jefferson Telecommunications Partners, Ltd. to Boston Ventures.

II. INFORMATION REQUIRED BY 63.24(E)(2) OF THE COMMISSION'S RULES

(a). Name, Address, and Telephone Number of Each Applicant

ETS Telephone Company, Inc. (Licensee)

ETS Telephone Company, Inc. 11011 Richmond Ave., Ste 400

Houston, Texas 77042 Tel: (281) 225-1000 Fax: (281) 225-0540

FRN: 0004322814

Principal business: Telecommunications

En-Touch Systems, Inc. (Parent Company of Licensee)

En-Touch Systems, Inc.

11011 Richmond Ave., Ste 400

Houston, Texas 77042 Tel: (281) 225-1000 Fax: (281) 225-0540

FRN: 0003749678

Principal business: Investment

Jefferson Telecommunications Partners, Ltd. (Transferor)

Jefferson Telecommunications Partners, Ltd.

c/o En-Touch Systems, Inc.

11011 Richmond Ave., Ste 400

Houston, Texas 77042

Tel: (281) 225-1000 Fax: (281) 225-0540

Principal business: Investment

Boston Ventures Limited Partnership VII (Transferee)

Boston Ventures Limited Partnership VII

23rd Floor

One Federal Street

Boston, MA 02110-2003

Tel: (617) 350-1500 Fax: (617) 350-1509

Principal business: Investment

(b) Place of Corporate Organization of Each Applicant

ETS Telephone Company, Inc. ("ETS") is a corporation organized under the laws of Texas. En-Touch Systems, Inc. ("En-Touch") is a corporation organized under the laws of the Texas. It is expected that both ETS and En-Touch will convert into Delaware corporations immediately prior to the consummation of the transactions contemplated by the acquisition agreement. Jefferson Telecommunications Partners, Ltd. is a limited partnership organized under the laws of Texas. Boston Ventures Limited Partnership VII is a limited partnership organized under the laws of Delaware.

(c) Contact Information

All correspondence concerning the Applicants should be sent to:

Bradford W. Bayliff
Casey Gentz, & Magness, L.L.P.
98 San Jacinto Boulevard, Suite 1400
Austin, Texas 78701
Phone: (512) 480-9900
Fax: (512) 480-9200
bbayliff@phonelaw.com

and

J.G. Harrington
Dow Lohnes PLLC
1200 New Hampshire Avenue, NW
Suite 800
Washington, DC 20036
Phone: (202) 776-2818
Fax: (202) 776-2222

jharrington@dowlohnes.com

With a copy to:

Richard A. Gerstemeier President ETS Telephone Company, Inc. 11011 Richmond Ave., Ste 400 Houston, Texas 77042

(d) Previous 214 Authority

Neither En-Touch Systems, Inc. nor Jefferson Telecommunications Partners, Ltd., nor Boston Ventures hold Section 214 authority. ETS holds international resale authority, granted in IB File No. ITC-214-19960311-00007 (previously ITC-96-108) and domestic resale authority, originally granted in 1996 to Kingsgate Telephone Company, the previous name of ETS. Boston Ventures Limited Partnership V owns a direct controlling interest in Integra Telecom, Inc, which holds international resale authority and domestic resale authority.

(h) Equity Ownership

ETS is a wholly owned subsidiary of En-Touch. Following consummation of the transaction contemplated by the acquisition agreement, Boston Ventures will acquire control of En-Touch, the parent company of ETS, and thus will obtain the majority controlling interest in ETS. The parties have agreed to create two new entities, En-Touch Holdings, LLC ("Holdings"), a Delaware limited liability company, and its subsidiary, En-Touch Acquisition Corp. ("Merger Sub"), a Delaware corporation. The parties have agreed to the transfer of control of En-Touch to Boston Ventures by means of the merger of Merger Sub with and into En-Touch, with En-Touch continuing as the surviving corporation and as a wholly-owned subsidiary of Holdings. As a result of the proposed transaction, Boston Ventures will acquire approximately 84 percent of the ownership interest of Holdings, the ultimate parent of ETS. Two current owners of En-Touch will retain a total of approximately 12 percent ownership of the company and two members of the En-Touch management team will own a total of approximately 4 percent of the company.

(i). Foreign Carrier Certification

The Applicants certify that they are not foreign carriers, and that they have no affiliation with a foreign carrier. No director, shareholder, or officer of the Applicants is an agent of a foreign carrier.

- (j). Not Applicable
- (k). Not Applicable
- (l). Not Applicable
- (m). Not Applicable

(n). No Special Concessions

The Applicants hereby certify that they have not agreed to accept special concessions directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flows between the U.S. and any foreign country that ETS may serve under the authority granted under this part and will not enter into such agreements in the future.

(o). Certification Pursuant to Rules 1.2001 Through 1.2003

The Applicants hereby certify, pursuant to Sections 1.2001 through 1.2003 of the Commission's rules, that they are not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

(p). Streamlined Processing.

The Applicants respectfully request streamlined treatment of this Application pursuant to Sections 63.03 and 63.12 of the Commission's Rules, 47 C.F.R. §§ 63.03 and 63.12. First, this Application should be presumed to be eligible for streamlined processing pursuant to the presumptive streamlined category described in Section 63.03(b)(1)(ii). This category permits streamlined treatment for transactions in which "[t]he transferee is not a telecommunications provider." Boston Ventures' principal business is investments and it does not provide any telecommunications services.

Moreover, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(1)(ii) of the Commission's Rules, 47 C.F.R. § 63.03(b)(1)(ii), if the Commission

determines that (1) the proposed transaction will result in the Applicants (including their affiliates, as that term is defined in Section 3(1) of the Act) having a market share of the interstate, interexchange market of less than 10 percent; (2) the Applicants (including their affiliates) will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction; and (3) neither the Applicants nor any of their affiliates are regulated as dominant with respect to any service.

The Applicants submit that ETS will have a market share of the interstate, interexchange market of less than 10 percent. In addition, neither the Applicants nor their affiliates are regulated as dominant with respect to any service. ETS will provide competitive telephone exchange services or exchange access services exclusively in geographic areas where incumbent local exchange carriers that are not parties to this transaction are certificated and authorized to provide service. In addition, ETS is aware of the presence of other competitive carriers in these markets and believes that competitive services are available from these other competitive carriers in the exchanges served by ETS.

This Application also qualifies for streamlined treatment under Section 63.12 because ETS is presumptively non-dominant under Section 63.10(a)(1) of the Commission's Rules and, in accordance with Section 63.12(c), (1) the Applicants are not affiliated with foreign carriers; (2) the Applicants are not affiliated with any dominant U.S. carriers; and (3) no authority is requested to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of switched services over private lines. In the event that the Commission finds that this application is not appropriate for streamlined treatment, ETS requests expedited treatment of this application.

II. SUPPORTING INFORMATION

In support of its request for authority to transfer the control of ETS Telephone Company, Inc.'s parent company, En-Touch Systems, Inc., from Jefferson Telecommunications Partners, Ltd. to Boston Ventures Limited Partnership VII, and pursuant to Section 63.18 of the

Commission's Rules, the Applicants furnish the following information relevant to the application.

Other Applications Pending or to be Filed with the Commission Related to the Same Transaction

This application also requests authority to transfer control of ETS Telephone Company, Inc.'s parent company, En-Touch Services, Inc. from Jefferson Telecommunications Partners, Ltd. to Boston Ventures Limited Partnership VII pursuant to the terms and conditions of Section 63.04(b) of the Commission's rules. The additional information required for the domestic Section 214 transfer of control application is provided in Attachment A. In addition, ETS Telephone Company, Inc. will file an application at the Public Utility Commission of Texas for approval of the transfer of control.

III. CONCLUSION

Based on the foregoing, the Applicants respectfully request that the public interest, convenience, and necessity would be furthered by the granting of this application.

ETS TELEPHONE COMPANY, INC.

By:

Richard A. Gerstemeier

President

ETS Telephone Company, Inc. 11011 Richmond Ave., Ste 400

Houston, Texas 77042 Tel: (281) 225-1000

Fax: (281) 225-0540

EN-TOUCH SYSTEMS, INC.

By:

Richard A. Gerstemeier

President

En-Touch Systems, Inc.

11011 Richmond Ave., Ste 400

9.19.06

Houston, Texas 77042 Tel:

(281) 225-1000 (281) 225-0540 Fax:

JEFFERSON TELECOMMUNICATIONS PARTNERS, LTD.

By:

Edward R. Naumes General Partner

600 Jefferson Street #350

Houston, TX 77002

Tel: (713) 651-8608 (713) 651-8893 Fax:

BOSTON VENTURES LIMITED PARTNERSHIP VII

Boston Ventures Company VII, LLC, By:

Its General Partner

By:

Roy F. Coppedge Managing Director

Boston Ventures Limited Partnership VII

One Federal Street, 23rd Floor Boston, MA 02110-2003

Tel: (617) 350-1500 Fax: (617) 350-1509

ATTACHMENT A

APPLICATION FOR TRANSFER OF SECTION 214 DOMESTIC AUTHORITY

1. Description of the Transaction

A detailed description of the transaction is set forth in Section II of the primary global resale international Section 214 application for approval of transfer of control.

2. Geographic Areas and Services.

This application requests authority to transfer control of En-Touch Systems, Inc., the parent company of ETS. ETS is a competitive local exchange carrier ("CLEC") authorized to offer telecommunications services in Texas. ETS offers facilities-based local exchange and exchange access services, domestic and international long distance telephone services to approximately 10,000 business and residential customers in the Houston, Texas area.

3. Expedited Treatment and Qualification for Streamlined Processing of Application

The proposed transaction will result in ETS continuing to be a non-dominant carrier, having less than 10 percent of the domestic interexchange market share and continuing to provide competitive domestic and international telephone exchange services in geographic areas where incumbent local exchange carriers that are not parties to the transaction are certificated and authorized to provide service. In addition, Boston Ventures, the proposed transferee, is not a telecommunications provider. Therefore, this application qualifies for the streamlined approval process provided for in Section 63.03 of the Commission's rules. Granting expedited treatment of this application will further serve the public interest by allowing the Parties to implement a smooth transition and continue the operations of ETS.

4. Other Applications Pending or to be Filed with the Commission Related to the Same Transaction

This attachment accompanies a primary application that requests authorization to transfer control of En-Touch Systems, Inc., from Jefferson Telecommunications Partners, Ltd. to Boston Ventures Limited Partnership VII. The Applicants will file an application at the Public Utility Commission of Texas for approval of the transfer of control.

5. Special Considerations Because of Imminent Business Failure

There is no imminent business failure at this time because ETS is operating and providing service to customers. The need to complete the transaction and close the proposed transaction promptly, however, does add a sense of urgency to obtain regulatory approvals.

6. Identification of Separately Filed Waiver Requests

None of the Applicants will file any waiver requests.

7. Public Interest Statement

By granting this application, the Commission will serve the public interest, convenience and necessity by ensuring continuity of service to ETS' customers and promoting competition in the domestic and international interexchange services market. Additional public interest benefits are described in Section III of the primary global resale international Section 214 application for transfer of control.

ATTACHMENT B

Boston Ventures Ownership Information

The following are the entities that hold ten percent or more of the equity of Boston Ventures Limited Partnership VII or that hold general partnership interests:

Equity Holder	Ownership Interest	Address	Citizenship
Hartford Life Insurance Company ("Hartford Life")*	11% (approx.) Limited Partner	Hartford Plaza, Hartford, Connecticut 06115-1900	United States
Hartford Fire Insurance Company ("Hartford Fire")*	11% (approx.) Limited Partner	Hartford Plaza, Hartford, Connecticut 06115-1900	United States
Boston Ventures Company VII, LLC	2% General Partner	c/o Boston Ventures Management, LLC One Federal Street 23rd Floor Boston, MA 02110	United States

^{*}The Hartford Financial Services Group, Inc. is the parent company of Hartford Life and Hartford Fire. The Hartford's principal business is insurance and investments. It is publicly traded on the New York Stock Exchange. It is a Delaware corporation with an address of Hartford Plaza, Hartford, Connecticut 06115-1900. Based on a review of the most recent information available, there are no ten percent or more shareholders of The Hartford Financial Services Group, Inc.

Boston Ventures Company VII, LLC (the "GP"): The principal business of the GP is investments. The managing directors of the GP control the GP. Set forth below are all of the managing directors of the GP, which includes all of the owners of the GP who have a ten percent or greater interest in the GP. No individual listed below holds a fifty percent or greater interest in the GP.

Name	Address	Citizenship United States	
Barry Baker	c/o Boston Ventures Management, LLC One Federal Street 23rd Floor Boston, MA 02110		
Anthony J. Bolland**	c/o Boston Ventures Management, LLC One Federal Street 23rd Floor Boston, MA 02110	United Kingdom	
Roy F. Coppedge	c/o Boston Ventures Management, LLC One Federal Street 23rd Floor	United States	

Name	Name Address	
	Boston, MA 02110	
Andrew C. Davis	c/o Boston Ventures Management, LLC One Federal Street 23rd Floor Boston, MA 02110	United States
Elizabeth Granville- Smith	c/o Boston Ventures Management, LLC One Federal Street 23rd Floor Boston, MA 02110	United States
Gerald S. Hobbs	c/o Boston Ventures Management, LLC One Federal Street 23rd Floor Boston, MA 02110	United States
Vikrant Raina**	c/o Boston Ventures Management, LLC One Federal Street 23rd Floor Boston, MA 02110	India

^{**}Pursuant to the terms of the GP's operating agreement, non-U.S. citizens may not participate in any matters relating to any media and regulated communications enterprises of the GP, including any media or communications companies in which the GP or Boston Ventures Limited Partnership VII may invest, and are subject to other restrictions on their participation in the operations of the GP and the limited partnership in accordance with the FCC's insulation criteria.

FEDERAL COMMUNICATIONS COMMISSION REMITTANCE ADVICE

Page _ I _ of ____

(I) LOCKBOX #				
			4	
358145			E P	
	SECTION A -	PAYER INFORMATIO)N	Marie and Marie
(2) PAYER NAME (if paying by credit card enter name	e exactly as it appears on the card)	(3) TOTAL AMOUN	T PAID (U.S. Dollars and cents)
Dow Lohnes PLLC				\$895.00
(4) STREET ADDRESS LINE NO. 1				
c/o J.G. Harrington, E	lsq.			
(5) STREET ADDRESS LINE NO. 2				
1200 New Hampshire Ave	., NW			
(6) CITY			(7) STATE	(8) ZIP CODE
Washington			DC	20036
(9) DAYTIME TELEPHONE NUMBER (include are	a code)	(10) COUNTRY (ODE (if not in U.S.A	.)
202-776-2818				
	FCC REGISTRATION	N NUMBER (FRN) RE		
(II) PAYER (FRN)		1/2/2013/4	141	
0003-8636-51				
IF MO	RE THAN ONE APPLICANT,	USE CONTINUATION	SHEETS (FORM 15	9-C)
COMPLETE SECTION E	ELOW FOR EACH SERVICE,	IF MURE BOXES A	RE NEEDED, USE C	UNLINUATION SHEET
Boston Ventures Limite	ad Dartnerchia	. 17 77		
(14) STREET ADDRESS LINE NO. 1	d Parchership	A T T		
One Federal Street				
(15) STREET ADDRESS LINE NO. 2				
23rd Floor				
(16) CITY			(17) STATE	(18) ZIP CODE
Boston			MA	02110
(19) DAYTIME TELEPHONE NUMBER (include are	a code)	LOO COUNTRY	CODE (if not in U.S.A	
617-350-1595	a code;	(20) COUNTRI	CODE (II not it C.D.)	,
027 330 2330	FCC RECISTRATIO	N NUMBER (FRN) RI	FOLURED	
(21) APPLICANT (FRN)	. co localitatio			The state of the s
0015-5268-66		"我们就是一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个		
<u> </u>	N C FOR EACH SERVICE, IF			TINUATION SHEET
(23A)CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE		(25A) QUA	
Domestic Section 214	CUT			1
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE		意识和 要	
\$895.00	1	\$895	.00	
(28A) FCC CODE I		(29A) FCC CODE 2		
(23b) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE		(25B) QUA	NTITY
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE		Sale of the	The state of the s
Ĺ			40° 946	
(28B) FCC CODE I		(29B) FCC CODE 2		
		L		
	SECTION	D - CERTIFICATION		
CERTIFICATION STATEMENT				
Allyson Mejia	, certify unc	der penalty of perjury tha	at the foregoing and sur	oporting information is true and correct to
the best of my knowledge, information and belief.				1000
SIGNATURE allipson Mexico		 	DATE 9/25	/2006
// // // // // // // // // // // // //	SECTION E - CREDIT	CARD PAYMENT IN	FORMATION	7
1	RCARD VISA			
MASIE		AMEX	DISCOVER	
ACCOUNT NUMBER		EXPIRATION	ON DATE	
I hereby authorize the FCC to charge my credit card 6	or the service(s) authorization here	in described		
	service(s) animotication liese			
SIGNATURE			DATE	59 FEBRUARY 2003 (REVISED)
	SEE PUBLIC BURDEN ON REV	ALDEE	FCC FORM	SU PERMILARY 3003 (RESIDERA)